

AMENDED IN SENATE APRIL 2, 2009

SENATE BILL

No. 613

Introduced by Senator Harman

February 27, 2009

~~An act to amend Section 10.2 of the County Water Authority Act (Chapter 545 of the Statutes of 1943), relating to water. An act to add Section 36447.15 to the Water Code, relating to the Irvine Ranch Water District.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 613, as amended, Harman. ~~County water authority: annexation: federal military reservation. Irvine Ranch Water District.~~

The California Water District Law provides for the formation and operation of California water districts. That district law authorizes the Irvine Ranch Water District, a California water district, to form improvement districts and to issue and sell general obligation bonds and consolidated general obligation bonds for improvement districts of the district in accordance with specified requirements.

This bill would authorize the Irvine Ranch Water District to pledge and apply all or part of the revenues of the district to the payment or security of any or all of the principal, redemption price, and purchase price of general obligation bonds for improvement districts and consolidated general obligation bonds for improvement districts, and the interest thereon, in accordance with specified requirements. The bill would make legislative findings and declarations regarding the need for special legislation.

~~The County Water Authority Act authorizes county 2 or more public agencies in any county to organize and incorporate a county water authority. The act requires all powers, privileges, and duties vested in~~

~~or imposed upon a county water authority to be exercised and performed by a board of directors. The act provides for among other things, the annexation of territory within a federal military reservation to a county water authority. The act provides procedures for annexation of a military reservation and requires, on and after the effective date of the annexation, the military reservation to be a separate unit member of the county water authority entitled to one representative on the board of directors.~~

~~This bill would make technical, nonsubstantive changes in the provisions relating to annexation of a federal military reservation.~~

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 36447.15 is added to the Water Code, to
2 read:
3 36447.15. (a) Notwithstanding Section 36447, this section
4 applies only to the Irvine Ranch Water District.
5 (b) In connection with, or incidental to, the issuance or carrying
6 by the district of any general obligation bonds for improvement
7 districts or consolidated general obligation bonds for improvement
8 districts, the district may pledge and apply all or any part of the
9 revenues of the district to the payment or security of any or all of
10 the principal, redemption price, and purchase price of those bonds,
11 and the interest thereon, in the manner and upon terms that the
12 board may deem advisable.
13 (c) In connection with the pledge, the board may provide in the
14 resolution, order, indenture, trust agreement, loan agreement,
15 lease, installment sale agreement, pledge agreement, or other
16 document in which the pledge is provided for or created, any
17 covenants, promises, restrictions, and provisions that the district
18 may deem necessary or desirable, including, but not limited to,
19 covenants, promises, restrictions, and provisions relating to the
20 use of bond proceeds, the maintenance, operation, and preservation
21 of the district's facilities, any rates and charges to be established
22 and collected by the district, including rates and charges for the
23 services or products furnished or provided by the district's
24 facilities, the incurring of additional indebtedness payable from
25 the revenues, and the establishment, maintenance, and use of

1 *reserve funds, sinking funds, interest and redemption funds,*
2 *maintenance and operation funds, and other special funds for the*
3 *payment or security of any or all of the principal, redemption price,*
4 *and purchase price of bonds and the interest thereon.*

5 *(d) For the purposes of carrying out this section, the board may*
6 *exercise, but shall not be limited to exercising, the powers specified*
7 *in the Revenue Bond Law of 1941 (Chapter 6 (commencing with*
8 *Section 54300) of Part 1 of Division 2 of Title 5 of the Government*
9 *Code).*

10 *(e) Chapter 5.5 (commencing with Section 5450) of Division 6*
11 *of Title 1 of the Government Code shall govern the creation of*
12 *pledges authorized by this section.*

13 *(f) The authority granted by this section is in addition to, and*
14 *not in derogation of, any authority granted by other provisions of*
15 *law relating to the payment of the district's general obligation*
16 *bonds from the proceeds of assessments to be levied upon and*
17 *collected from lands of any improvement district or relating to the*
18 *levy and collection of the assessments. This section does not affect*
19 *any other law authorizing or providing for the issuance or carrying*
20 *of bonds by the district. This section shall be deemed to provide a*
21 *complete and supplemental method for exercising the powers*
22 *authorized by this section, and shall be deemed supplemental to*
23 *the powers conferred by other applicable laws.*

24 *SEC. 2. The Legislature finds and declares that this act, which*
25 *is applicable only to the Irvine Ranch Water District, is necessary*
26 *because of the unique and special financing requirements*
27 *applicable to the district. It is, therefore, hereby declared that a*
28 *general law within the meaning of Section 16 of Article IV of the*
29 *California Constitution cannot be made applicable to the district*
30 *and the enactment of this special law is necessary to enable the*
31 *district to lower the financial burden of debt service for the*
32 *taxpayers of the district.*

33 ~~SECTION 1. Section 10.2 of the County Water Authority Act~~
34 ~~(Chapter 545 of the Statutes of 1943), as amended by Section 38~~
35 ~~of Chapter 506 of the Statutes of 2000, is amended to read:~~

36 ~~Sec. 10.2. (a) Notwithstanding any other provisions of this~~
37 ~~act, territory within a federal military reservation may be annexed~~
38 ~~to any county water authority organized under this act as a single~~
39 ~~member of an authority in the manner provided in this section. As~~
40 ~~used in this section, "federal military reservation" or "military~~

1 reservation” means a single federal military reservation or separate
2 but contiguous federal military reservations which are jointly
3 annexed to a county water authority as a single member agency
4 of an authority.

5 (b) Proceedings for the annexation of territory within a military
6 reservation shall be initiated by the adoption by the board of
7 directors of an authority of a resolution proposing annexation of
8 territory within a military reservation to an authority as a member
9 of an authority.

10 (c) The resolution proposing the annexation may provide that
11 the annexation shall include one or more separate areas, which
12 may be separately identified for assessing and tax collecting
13 purposes, and that each of those areas may be subject to one or
14 more of the following terms and conditions:

15 (1) The fixing and establishment of priorities for the use of, or
16 right to use, water, or capacity rights in any public improvement
17 or facilities, and the determination of, or limitation on, the quantity
18 of, the purposes for which, and the places where, water may be
19 delivered by the authority to the military reservation for military
20 purposes and uses incidental thereto, as well as for nonmilitary
21 purposes.

22 (2) The levying by the authority of special taxes upon any
23 private leasehold, possessory interest, or other taxable property
24 within the territory annexed, and the imposition and collection of
25 special fees or charges prior to the annexation.

26 (3) If portions of any area annexed under this section are
27 subsequently made available for nonmilitary purposes not in
28 existence at the time of the annexation of the area, the board of
29 directors of the authority may impose new terms and conditions
30 for any subsequent service of water, directly or indirectly, by the
31 authority to that area, including the separation of the area for
32 assessing and tax collecting purposes and the levying by the
33 authority of special taxes on those portions.

34 (4) The effective date of the annexation.

35 (5) Any other matters necessary or incidental to any of the terms
36 and conditions in paragraphs (1) to (4), inclusive.

37 (d) A certified copy of the resolution proposing annexation shall
38 be sent to the official in authority over the military reservation. If
39 the military reservation consents in writing to the annexation and
40 to the terms and conditions established by the board of directors,

1 the board may, by resolution, order the annexation to the authority
2 of the territory situated within the military reservation, subject to
3 those terms and conditions:

4 (e) ~~A certificate of proceedings taken under this section shall~~
5 ~~be made by the secretary of the authority and filed with the county~~
6 ~~clerk of the county in which the county water authority is situated.~~
7 ~~Upon the filing in his or her office of the certificate of proceedings,~~
8 ~~the county clerk of the county in which the county water authority~~
9 ~~is situated shall, within 10 days, issue a certificate reciting the~~
10 ~~filing of those papers in his or her office and the annexation of the~~
11 ~~territory to the authority. The county clerk of the county in which~~
12 ~~the county water authority is situated shall transmit the original of~~
13 ~~said certificate to the secretary of the authority.~~

14 (f) ~~Upon the filing of the certificate of proceedings with the~~
15 ~~county clerk of the county in which the county water authority is~~
16 ~~situated, or upon the effective date of the annexation provided for~~
17 ~~in the terms and conditions, whichever is later, the territory within~~
18 ~~the military reservation shall become and be an integral part of the~~
19 ~~authority. The taxable property within that territory shall be subject~~
20 ~~to taxation thereafter for the purposes of the authority, including~~
21 ~~the payment of bonds and other obligations of the authority at the~~
22 ~~time authorized or outstanding. The board of directors of the~~
23 ~~authority shall be empowered to do all things necessary to enforce~~
24 ~~and make effective the terms and conditions of annexation fixed~~
25 ~~as authorized pursuant to this section.~~

26 (g) ~~On and after the effective date of the annexation, the military~~
27 ~~reservation shall be a separate unit member of the authority and~~
28 ~~shall be entitled to one representative on the board of directors of~~
29 ~~the authority. For the purposes of this act, a military reservation~~
30 ~~shall be deemed a public agency. The representative shall be~~
31 ~~designated and appointed by the official in authority over the~~
32 ~~military reservation, shall hold office for a term of six years or~~
33 ~~until his or her successor is appointed and qualified, and may be~~
34 ~~recalled by the official with authority over the military reservation.~~

35 (h) ~~The transfer of ownership of the fee title of a military~~
36 ~~reservation, or of any portion thereof, to nonmilitary ownership~~
37 ~~after annexation to the authority pursuant to this section shall result~~
38 ~~in the automatic exclusion from the authority of the territory~~
39 ~~transferred to that ownership.~~

1 ~~(i) If a county water authority is a member public agency of a~~
2 ~~metropolitan water district organized under the Metropolitan Water~~
3 ~~District Act (Chapter 200 of the Statutes of 1969), that metropolitan~~
4 ~~water district may impose any or all of the terms and conditions~~
5 ~~that may be imposed by a county water authority pursuant to~~
6 ~~subdivisions (a) through (h) of this section in any resolution fixing~~
7 ~~the terms and conditions for the concurrent annexation of territory~~
8 ~~in a military reservation.~~

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